



MISSOURI

DEPARTMENT OF ECONOMIC DEVELOPMENT

VISION ★

To make Missouri the best place to live, work, vacation, and conduct business.

FY 05-07 Strategic Plan

VALUES ★

Accountability

We will embody the outcomes desired by our organization and its customers.

Measurement

We will measure our performance on outcomes and report our progress.

Innovation

We will develop innovative approaches, programs, and products to better achieve the desired outcomes.

Customer Satisfaction

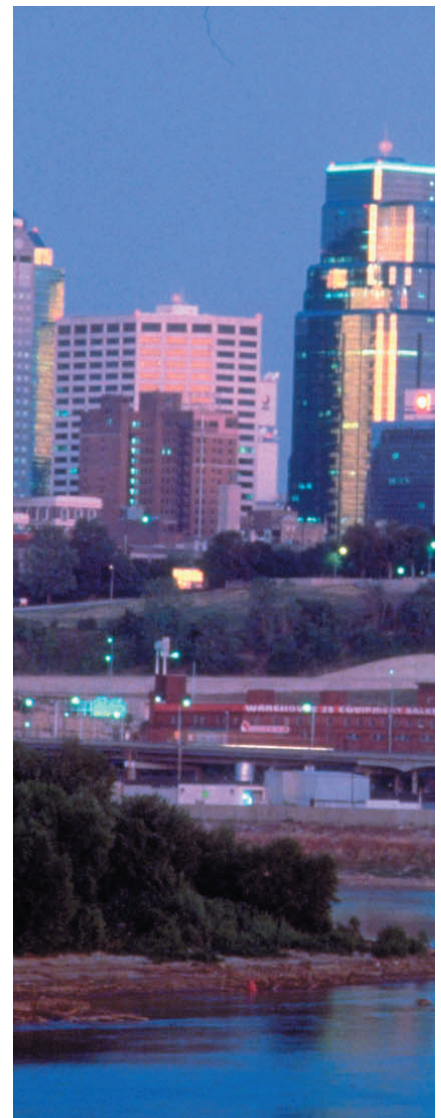
We will proactively solicit end user expectations so that we design products that achieve total customer satisfaction.

Empowerment

We will promote a climate that values diversity in the workforce, gives employees the ability to increase customer satisfaction and that provides universal access to products.

MISSION ★

We will achieve our vision through stimulating and supporting economic security, opportunity, growth, and a high quality of life in Missouri communities.



Missouri is Developing a 21st Century Economy

Consistent with the vision and mission, the Department of Economic Development continues efforts “to make Missouri the best place to live, work, vacation and do business.”

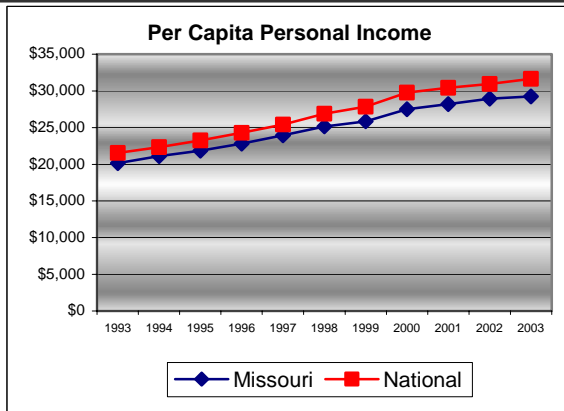
During the 2004 Legislative Session, an initiative that repealed/sunset several tax credits and created other incentives and programs was passed, going into effect on August 28, 2004.

- Job Retention Training – This program is similar to the Community College New Jobs Training program, except the purpose is to retrain existing workers. Industries must meet certain set criteria to qualify.
- Business Use Incentives for Large-Scale Development (BUILD) Tax Credit – The cap has been increased.
- Enhanced Enterprise Zone (EEZ) – Local EEZ boards will make recommendations for funding based on criteria that the area is blighted, pervasive poverty, unemployment and general distress. EEZ is a discretionary program with the amount limited to projected state economic benefit, with businesses authorized to receive an “up to” amount each year for up to ten years. The tax credit is formula-driven and capped at the Department authorized amount for the project each year up to ten years.

| Mission | | | | |
|---|--|--|---|--|
| We will achieve our vision through stimulating and supporting economic security, opportunity, growth and a high quality of life in Missouri communities | | | | |
| 1. Economic security | 2. Opportunity | 3. Growth | 4. Quality of Life | |
| a. Continued electric price stability for utility customers | a. Increased number of high wage jobs created in Missouri firms | a. Increased number of dollars of investment by Missouri firms | a. Increased number of new and improved infrastructure systems | |
| b. Decreased number of problem financial institutions | b. Increased number of people who got a job (entered employment) | b. Increased amount of leverage | b. Increased number of new and rehabbed housing units | |
| | | c. Increased tax revenues from Tourism SIC/NAIC sales | c. Increased number of low income and homeless Missourians that were assisted with housing needs | |
| | | | d. Increased number of new and renovated facilities | |
| | | | e. Increased number of volunteer hours | |
| | | | f. Decreased number of incompetent, negligent, fraudulent, dishonest services by licensed professionals | |

Economic Indicators

Per Capita Income



What is Per Capita Income?

Per capita income is total personal income per person.

What is the Importance of Per Capita Income?

Per capita income is an indicator of wealth in a region.

What are the trends?

From 1990-2003, per capita income in Missouri grew by 65.9% compared to 62.4% for the nation as a whole.

How Does Missouri Compare?

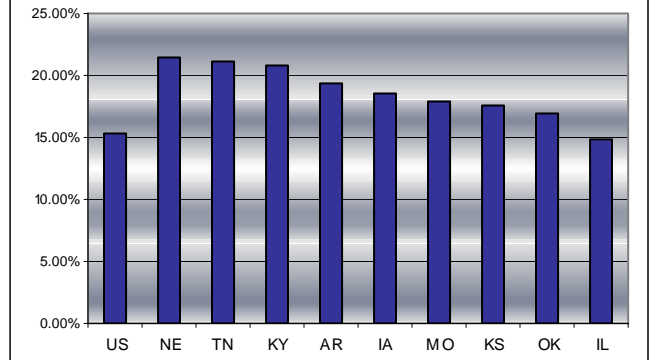
As of 2003, Missouri ranks 30th among the states (Connecticut is first, Mississippi is 50). Of Missouri's neighboring states, Missouri ranks behind only Illinois, Nebraska and Kansas.

2003 Per Capita Personal Income

Source: U.S. Bureau of Economic Analysis

| | |
|-----------------|-----------------|
| U.S. | \$31,632 |
| Illinois | \$33,690 |
| Nebraska | \$30,758 |
| Kansas | \$29,935 |
| Missouri | \$29,252 |
| Iowa | \$29,043 |
| Tennessee | \$28,455 |
| Oklahoma | \$26,656 |
| Kentucky | \$26,252 |
| Arkansas | \$24,289 |

**Per Capita Income Percentage Change
1990 to 2003 Adjusted for Inflation**



What is Effective in Increasing Per Capita Income?

Clearly salaries and wages are the largest driver of per capita income. If more jobs are available at high-paying wages, per capita income will grow faster. At the same time, the workforce must have the necessary skills and training so that these high-paying jobs can be readily filled.

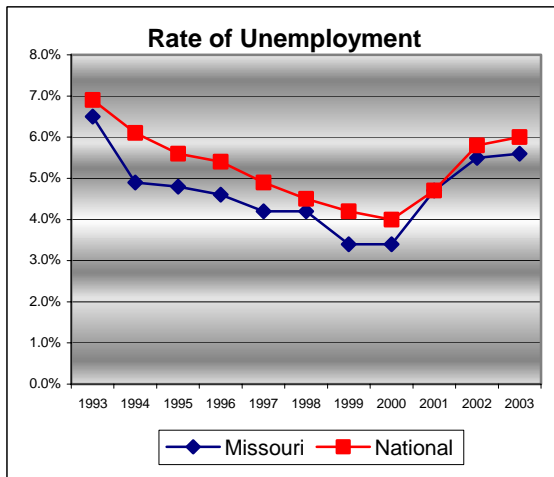
What are the Issues?

As the economy continues its slow recovery, growth in the wage component of per capita income will continue to falter, particularly as high-paying jobs in the manufacturing sector remain scarce. Per capita income in Missouri will likely continue to grow at a slow rate, but the transfer payments component should be closely monitored.

References

- Bureau of Labor and Statistics, United States Department of Labor
www.bls.gov
- Missouri Economic Research and Information Center, Missouri Department of Economic Development
www.MissouriEconomy.org

Per Capita Income



What is Rate of Unemployment

The unemployment rate represents the number of unemployed as a percentage of the labor force. To be considered unemployed, a person must be available for work **and** making specific efforts to secure employment.

What is the Importance of the Rate of Unemployment?

The unemployment rate is a clear indicator of the number of people working in a region, and is thus an indicator of the economic health of a region. Economists consider an unemployment rate between 4-5% as full employment.

What are the trends?

- ☐ National and global economic conditions influence the state's unemployment rate.
- ☐ After the recession of the early 1990's, Missouri enjoyed several consecutive years of declining unemployment. However, the recent recession has caused the unemployment rate to spike upward in the state.

How Does Missouri Compare?

- ☐ The unemployment rate in Missouri closely follows patterns in the unemployment rate at the national level,

although Missouri's rate is almost always below that of the nation.

- ☐ In comparison to contiguous states, Missouri ranks fourth lowest in the rate of unemployment.

2003 Rate of Unemployment Comparison (Seasonally Adjusted)

| | |
|-----------------|-------------|
| Nebraska | 4.0% |
| Iowa | 4.5% |
| Kansas | 5.4% |
| Missouri | 5.6% |
| Oklahoma | 5.7% |
| Tennessee | 5.8% |
| Arkansas | 6.2% |
| Kentucky | 6.2% |
| Illinois | 6.7% |

What is Effective in Decreasing the Rate of Unemployment?

- ☐ Adding more jobs.

What are the Issues?

- ☐ Employment is a measure of the number of jobs, not the quality of those jobs. It is important to measure both the amount of employment and the type of employment in the state.

References:

- ☐ Bureau of Labor Statistics, United States Department of Labor www.bls.gov
- ☐ Missouri Economic Research and Information Center, Missouri Department of Economic Development www.MissouriEconomy.org

Economic Security

Continued electric price stability for utility customers promotes economic security for individuals, businesses and communities. Utility costs represent a major budget item for many households. Increasing prices would cause financial difficulties for some households and in general would reduce the amount of money available to consumers to spend on other goods and services. In the case of businesses, rising electric prices could force some out of business or cause them to leave the area or state in search of lower costs of operation. Others might be forced to raise prices, which could result in lower sales and lower employment. These circumstances would negatively affect the economic security of the communities in which the businesses and individuals are located, in addition to the direct effects of higher electric prices on municipalities, schools, and other community services.

A decreased number of problem financial institutions would promote economic security through various channels. A strong financial system provides the funds that businesses need to maintain their operations and to invest in plant and equipment that would allow them to grow, as well as providing payment services. Individuals depend on financial institutions for savings and checking and for a number of types of loans, including residential, automobile, and personal. The availability of competing strong financial institutions helps insure the availability of the financial services that businesses and households need, at the lowest possible prices.

The Department contributes to economic security by working to maintain utility price stability and ensuring the safety and soundness of financial institutions by:

- ☐ Maintaining affordable, reliable and safe utilities through timely review and resolution of rate cases, effective interventions on behalf of utility customers and efficient regulatory procedures
- ☐ Actively representing the interests of utility customers before the Public Service Commission and in the courts

- ☐ Examining financial institutions to identify problems that would affect safety and soundness

Utilities

Objective Measure 1a - Continuing electric price stability for utility customers – residential, commercial, and industrial

Average Missouri **Residential** Electric Revenues
In Cents per Kilowatt Hour
Compared to National Average

| Year | MO Average and Rank among States | US Average |
|------|----------------------------------|------------|
| 2002 | \$0.0706 - #40 | \$0.0846 |
| 2001 | \$0.0700 - #39 | \$0.0862 |
| 2000 | \$0.0704 - #37 | \$0.0821 |
| 1999 | \$0.0712 - #36 | \$0.0816 |
| 1998 | \$0.0708 - #34 | \$0.0826 |

Missouri Average **Residential** Revenues And
ACCRA Utility Index Compared to Surrounding
States

| State | 2002 Revenues (cents per kWh) and State Rank | Utility Index 4 th Q 2002 |
|-----------------|--|--------------------------------------|
| Kentucky | \$0.0565 - #51 | 102.4 |
| Tennessee | \$0.0641 - #47 | 88.8 |
| Oklahoma | \$0.0673 - #45 | 92.8 |
| Nebraska | \$0.0673 - #44 | 105.2 |
| Missouri | \$0.0706 - #40 | 89.3 |
| Arkansas | \$0.0725 - #35 | 97.4 |
| Kansas | \$0.0767 - #29 | 104.1 |
| Iowa | \$0.0835 - #17 | 100.1 |
| Illinois | \$0.0839 - #16 | 104.7 |

| Average Missouri Commercial Electric Revenues In Cents per Kilowatt Hour Compared to National Average and Region | | | |
|---|------------------------------|--------------|----------------------|
| Year | MO Average and National Rank | U.S. Average | Regional Ranking |
| 2002 | \$0.0588 - #39 | \$0.0786 | 5 th of 9 |
| 2001 | \$0.0589 - #40 | \$0.0793 | 7 th of 9 |
| 2000 | \$0.0583 - #40 | \$0.0736 | 7 th of 9 |
| 1999 | \$0.0597 - #38 | \$0.0726 | 5 th of 9 |
| 1998 | \$0.0599 - #37 | \$0.0741 | 5 th of 9 |

| Average Missouri Industrial Electric Revenues In Cents per Kilowatt Hour Compared to National Average and Region | | | |
|---|------------------------------|--------------|----------------------|
| Year | MO Average and National Rank | U.S. Average | Regional Ranking |
| 2002 | \$0.0442 - #30 | \$0.0488 | 3 rd of 9 |
| 2001 | \$0.0439 - #30 | \$0.0504 | 4 th of 9 |
| 2000 | \$0.0443 - #26 | \$0.0457 | 3 rd of 9 |
| 1999 | \$0.0438 - #25 | \$0.0443 | 3 rd of 9 |
| 1998 | \$0.0443 - #24 | \$0.0448 | 3 rd of 9 |

What are “average electric revenues” and the ACCRA Utility Index (residential)?

These measures compare Missouri to the nation and to surrounding states on the basis of residential, commercial or industrial costs for electricity. The US Department of Energy collects data from all regulated and unregulated electricity suppliers and determines average annual revenues for each state and customer class.

In addition, the ACCRA collects residential consumer data from participating cities across the nation. The Utility Index provides a “snapshot” of what professional- or managerial-level households report spending on utility services in a specific three-month period.

What is the importance of “average electric revenues” and the ACCRA Utility Index (residential)?

The data gives customers and elected and appointed officials a broader perspective on Missouri’s electric utility rates. They can use the data to make decisions about living expenses, business expenses or about the incentives to locate in one area or another based on consumer costs.

What are the trends?

Historically, providing electricity has been a declining-cost industry. This is consistent with Missouri average revenue data but less so with U.S. average data, which may reflect volatile market pricing in states with retail electric competition. Each state, however, has a different mix of public, private, regulated and unregulated electricity suppliers; has different relationships between regulators and suppliers; relies on different fuels to generate electricity; and has different political and economic environments. Drawing anything but very general conclusions demands more thorough research.

How does Missouri compare?

From 1997 – 2002, Missouri’s average electricity revenues have been lower than the national average and have ranked in the lower third of all state averages.

Within our nine-state region, average residential revenues in Kentucky, Nebraska and Tennessee consistently are lower than revenues in other states, while Illinois residential averages consistently are the highest. Nebraska is a “public power” state with little or no state regulation. Tennessee generates much of its electricity through the federal Tennessee Valley Administration’s hydroelectric facilities. Kentucky may enjoy lower rates because of its dependence on TVA power and coal-fired generation (a significant state mineral resource). The ACCRA Utility Index is fairly consistent with high- and low-end states but is not strictly correlated with average revenues in the other states. Average revenues are compiled from monthly time-series data, while the Index is a point-in-time report of consumer spending.

Within our nine-state region, Missouri’s commercial revenues are in a “mid-low” range compared to other states. Missouri’s industrial electricity revenues also are consistently lower than the national average, and they continue to cluster in the mid-range of all states. Within our region, Missouri’s industrial electricity revenues have been third or fourth highest during the last five years.

As with residential revenues, commercial and industrial averages in Nebraska and Kentucky generally are the lowest in the region while

Illinois' average revenues are the highest. Because of this consistency, one could conclude there is something intrinsic in these states that affects utility ratemaking.

What is effective in maintaining stable electric prices for residential utility customers?

As state law requires, the Missouri Public Service Commission regulates electric utility rates through a forum that assures due process and participation for all affected parties. To assure continuing price stability, residential customers' interests must be effectively represented. The cost of "inputs" used by electricity suppliers must be stable. The Commission must have access to accurate and timely testimony and adequate discretion to determine the best balance between customer and company investor needs.

What are the issues?

Factors that could affect price stability include:

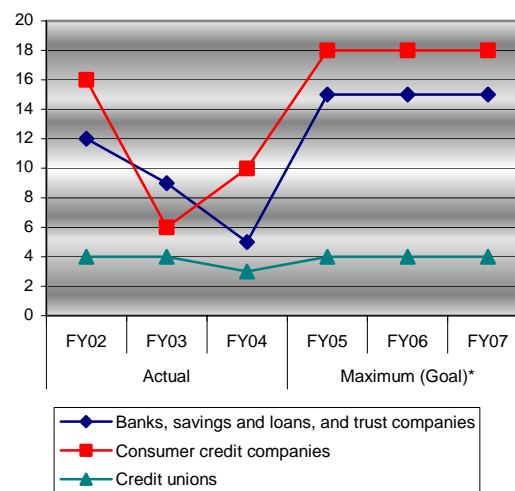
- ☐ Companies' costs for labor, materials, generation fuel, capital, taxes and regulation
- ☐ Global or national pressures of conflict, economic activity, resource shortages
- ☐ Changing federal policies and laws
- ☐ Changing state laws affecting the Commission's processes, jurisdiction or its discretion to determine the public interest

References

- ☐ Energy Information Administration, US Department of Energy
<http://www.eia.doe.gov/>
- ☐ "Commission Information Guide," Missouri PSC
<http://www.psc.state.mo.us/publications/Infor gu.pdf>
- ☐ Missouri Economic Research Information Center, "Cost of Living – First Quarter 2004"
http://www.ded.mo.gov/business/researchandplanning/indicators/cost_of_living/index.shtml

Safe and Sound Financial Institutions

Objective 1b - Decreased Number of Financial Institutions with Problems



*The goal is to have no more than a set number of problem financial institutions. Maximum (goal) for problems is based on historical data, including consideration of slower economic conditions.

What are Financial Institutions with Problems?

Financial institutions with problems are those banks, savings and loans, and trust companies that have been rated as 3, 4 or 5 on a CAMELS scale. For credit unions, it is those that have been rated as 4 or 5 on a CAMEL scale. The CAMELS and CAMEL scales are industry standards and used nationally. Ratings are assigned by the Divisions of Credit Unions and Finance based on examinations.

What is the Importance of Decreased Number of Financial Institutions with Problems?

The number of financial institutions with problems provides a quick look at the overall health of the financial industry within the state of Missouri. Bank failures are rare when the number of problem institutions is low, as in recent years. Conversely, bank failures experienced in the late 1980s and early 1990s were accompanied by an overall lower quality of institutions and, therefore, a much higher number of institutions with problems. A sustained upward trend in the number of such institutions is a leading indicator of bank and other financial institution failures.

What are the Trends?

- ❑ The number of problem banks, savings and loan associations, and trust companies declined through the end of FY04. This decline can be attributed, in part to falling interest rates that have resulted in record bank earnings performance nationally. Proactive monitoring techniques also are believed to assist in this reduction. The number of problem consumer credit companies has also fallen during the year, partially due to the minimal change in regulations over the same period. After a regulation change, there is a transition period during which these companies make changes to be in compliance with new regulations. The number of problem consumer credit companies was 8 at the end of the third quarter of FY04.
- ❑ The average number of months banks have remained in problem status has been reduced dramatically from 35 to 13.6 since the end of FY96.
- ❑ Only one institution removed from problem status since the end of FY94 has subsequently deteriorated to problem status. Within 6 months, this institution had improved and was removed from the problem list.

How Does Missouri Compare?

- ❑ Missouri is 8th in the nation in the number of state-chartered credit unions (currently, 158) and 5th nationally in the number of state-chartered banks (currently, 299).
- ❑ Although comparative data (by states) is not readily available, the number of banks with problems is low by historical standards. Since 1934, there have been over 3,000 failures of banks whose deposits were insured by the U.S. Government. The majority of these failures occurred from 1985 through 1992 when nearly 2,500 banks failed (at least 180 failures in each of those eight years). Since 1992, except for 1993 and 1994, the number of failures has been fewer than 10 each year. There have been no failures in Missouri since 1994. The last Missouri state-chartered bank failure was in 1992.
- ❑ Missouri participates in the Texas Credit Union Department's Benchmarking

Program. The following table shows Missouri's ranking in the percentage of "safe and sound" credit unions for FY04

| | |
|----------------|-------|
| Wisconsin | 99.0% |
| Michigan | 98.6% |
| Missouri | 97.6% |
| Texas | 97.6% |
| North Carolina | 92.0% |

What is Effective in Decreasing the Number of Financial Institutions with Problems?

- ❑ The use of proactive examination techniques for early identification of potential problems and close coordination with the financial institution to resolve concerns have been found to be the most effective strategies in reducing the number of financial institutions with problems.
- ❑ Consumer credit companies with problems have been greatly reduced as the result of aggressive corrective action, which was recently legislatively authorized. Consumer credit companies rated 4 or 5 are generally placed under "cease & desist orders" (mandating precise corrective action) and are usually returned to satisfactory status within 90 days of examination.

What are the issues?

- ❑ Smaller credit unions (under \$20 million in assets) are being merged into larger ones, improving their ability to survive.
- ❑ If the Missouri Supreme Court reverses the pending appeals on cases where credit unions have been allowed to expand their field of membership to multiple counties, credit unions may change to federal charters because a federally chartered credit union may be given a broader field of membership.
- ❑ Maintaining an experienced and trained examination staff is critical to effective identification of risky banking practices and prompt resolution of problems.

References

No additional references cited.

Key Strategy

- ❑ Early identification of problems in financial institutions through risk-based examinations and aggressive follow-up to assist the institution to return to a safe and sound status

Opportunity

Better job opportunities will encourage Missourians, particularly younger well-educated Missourians, to stay in the state rather than relocating to states where they perceive better opportunities. The higher incomes that result from better jobs will also indirectly promote opportunities for other Missourians as the income works its way through the economy. In addition to expanding the private economy and supporting the creation of additional jobs, higher incomes lead to higher tax revenues. These in turn can be used to provide better schools, better community and social services, better transportation, and a whole range of public services that will increase opportunities for all Missourians.

High wage industries are defined as those industries with an average weekly wage (calculated from the ES-202) at or above the statewide average in 2002 and/or 2003. During 2002, the average weekly wage for the state was \$637; for 2003, it was \$650.

There were 156 industries (by 4-digit NAIC code) that met the criteria. These industries accounted for just less than half of all employment in both years. These industries lost jobs at a faster rate than the average for all businesses. High-wage industries decreased in employment size by almost 1 percent, while all businesses in the state lost less than one-half percent of their jobs.

Fifty-three of the industries actually grew over the time period, adding about 22,800 jobs. Therefore, the industries that lost jobs lost over 34,600 jobs, for a net loss of about 11,800 jobs.

Five industries increased employment by over 500 workers and by over 15% of total employment. An additional six industries increased employment by over 15%. Another seven industries increased employment by over 500 workers.

Industries with 500+ and 15+% Increase in Employment

| NAICS CODE | INDUSTRY | GAIN | PERCENT CHANGE |
|------------|--|-------|----------------|
| 5222 | Nondepository Credit Intermediation | 2,265 | 15.34% |
| 5417 | Scientific Research and Development Services | 2,247 | 40.95% |
| 5182 | Data Processing, Hosting, and Related Services | 1,628 | 17.47% |
| 5223 | Activities Related to Credit Intermediation | 633 | 17.41% |
| 4248 | Alcoholic Beverage Merchant Wholesalers | 541 | 22.43% |

Industries with 15+% Increase in Employment

| NAICS CODE | INDUSTRY | GAIN | PERCENT CHANGE |
|------------|--|-------|----------------|
| 9221 | Justice, Public Order, and Safety Activities | 4,513 | 10.24% |
| 6221 | General Medical and Surgical Hospitals | 1,929 | 1.65% |
| 6211 | Offices of Physicians | 1,409 | 3.94% |
| 5411 | Legal Services | 647 | 3.22% |
| 9231 | Administration of Human Resource Programs | 555 | 3.27% |
| 9261 | Administration of Economic Programs | 546 | 4.23% |
| 2373 | Highway, Street, and Bridge Construction | 520 | 3.39% |

Industries with 15+% Increase in Employment

| NAICS CODE | INDUSTRY | GAIN | PERCENT CHANGE |
|------------|---|------|----------------|
| 5181 | Internet Service Providers and Web Search Portals | 379 | 28.39% |
| 5611 | Office Administrative | 265 | 15.65% |
| 1151 | Support Activities for Crop Production | 236 | 15.41% |
| 5173 | Telecommunications | 168 | 15.57% |
| 4862 | Pipeline Transportation of Natural Gas | 36 | 32.03% |
| 2131 | Support Activities for Mining | 26 | 43.42% |

Key Strategies:

- ☐ Assist individuals in developing the skills needed to get and retain jobs
- ☐ Assist individuals in identifying job openings that match their skills and meet their wage requirements through an improved job-matching system and increased market

share of businesses listing job openings with the workforce system

- ❑ Attract and retain businesses with high-wage jobs and high-skill workers through promoting Missouri and its thirteen economic regions

resources resulted in lower performance in FY03.

How does Missouri Compare?

There is no national data available to compare Missouri with other states for projects that were assisted/facilitated by direct state efforts.

What is Effective in Increasing and Retaining the Number of High Wage Jobs?

- ❑ DED directs its marketing efforts to attract targeted industries and “traded cluster” firms, which do not include retail or low-tech service firms (“local cluster” firms).
- ❑ Discretionary incentives are used for quality projects of “traded cluster” companies.
- ❑ Working with partners, strategies for business recruitment and expansion marketing are being developed for each region.

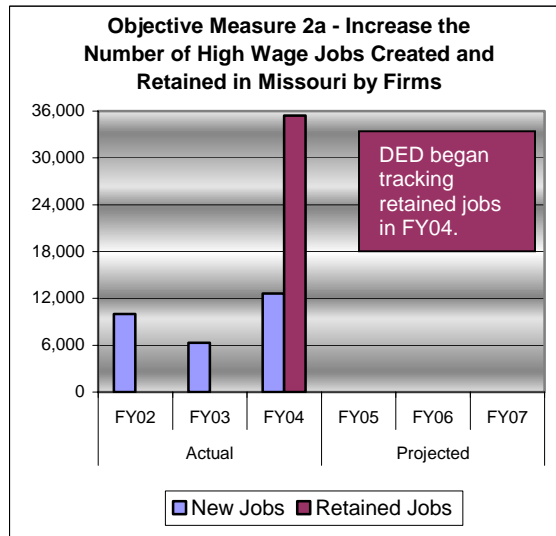
What are the Issues?

- ❑ Marketing funds have been reduced, affecting recruitment opportunities.
- ❑ Incentives for competitive projects have been reduced, affecting the department’s ability to compete with other states for larger projects.

References

No additional references cited.

High Wage Jobs



*Projections are not made for measures including performance on tax credits

What are High Wage Jobs?

High wage jobs are defined as new jobs created with wages above the county average and full benefits. The Division of Workforce Development reports the number of high wage jobs submitted on Customized Training applications and reports the jobs during the quarter that funds are awarded. The number of high wage jobs reported by Business Services is compiled from information released by companies through press releases and announcements.

What is the Importance of High Wage Jobs?

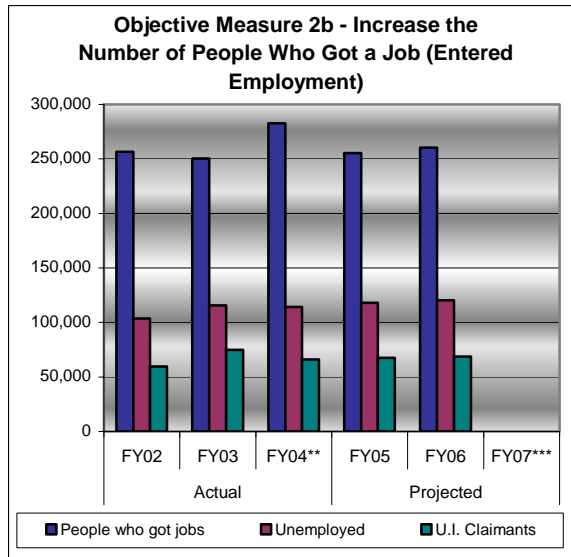
Increasing the number of high wage jobs increases the opportunities for self-sustaining employment for Missourians.

What are the Trends?

Trend analysis will be completed when sufficient historical data has been collected. Decreased

Skilled Workforce

Data and analysis for Objective Measure 3b – Increase the Number of People Who Got a Job (Entered Employment) will be updated with an addendum at a later date. The division, working with a software company, is nearing the completion of a program that will provide more precise data for this measure.



**FY04 includes the first three quarters – fourth quarter data will become available with the new software

***FY07 projections will be made when the new tracking software is complete

What is the Number of People Who Got a Job?

This is a measure of people that entered employment in the calendar quarter after receiving workforce services. It is reported as a raw number and percentage, and is measured by comparing the Social Security Numbers of people receiving services to Unemployment Insurance wage records. It is lagged three quarters to allow for processing of the Unemployment Insurance data.

While “Got a Job” is a good holistic measure of the employment of workforce clients, additional analysis is done for six different subsets of clientele to assess how they fare after receiving services. The Unemployed to Employed measure looks at the employment after exit of those who were unemployed at the time of

registration, while the Unemployment Insurance Claimants Employment measure counts employment of those who are receiving Unemployment Insurance benefits. One other measure looks at those who increased their earnings from receiving workforce services.

Obtaining employment is a primary objective for workforce clients, but retaining that employment is a crucial step toward obtaining self-sufficiency. Therefore, the measure of retention of clients at six months is crucial.

What is the Importance of People Getting Jobs?

Workforce development is one of the cornerstones of economic development. The economic impact of the workforce system is felt in many tangible ways, primarily in terms of earnings of workforce clients and savings from diversion from public assistance. In one study, the earnings of workforce clients contributed over \$900 million to Missouri’s economy annually, with an average \$19 return on investment for each dollar spent on workforce clients. Adult clients served under the Workforce Investment Act program earn about \$6,000 more annually than before they were served by the workforce system. The number of clients diverted from public assistance will be tracked as part of the new Temporary Assistance employment and training programs. A strong workforce fuels a strong economy for Missouri.

What are the trends?

- ❑ The number of people who obtained employment through Department services has increased by 73% from 144,723 in FY00 to 250,356 in FY03.
- ❑ Of the total number of people who got jobs in FY03, U.I. Claimants represent 30%.
- ❑ From FY01 to FY03, there was a 22% increase in the number of unemployed clients who obtained employment.
- ❑ From FY00 to FY03, there was a 48% increase in those who increased their wages after receiving service from the workforce system, and a 33% increase in those who rose from below to above the poverty line.
- ❑ An increased emphasis has been placed on increasing market share. Since that time, the percentage of job seekers who were

hired with assistance from the workforce system has increased from 23.6% to 29.0%.

- ❑ The percentage of people who got a job at increased wages and the percentage who moved from below to above the poverty line have remained relatively stable from FY00 to FY03.

How Does Missouri Compare?

Currently, there are no national standards available for all funding sources included in this measure, and it appears that Missouri is unique among states in analyzing workforce system measures in this way. Strategies are developed to encourage increased performance over prior years as compared to established targets.

What is Effective in Increasing the Number of People Who Got a Job?

Employers must be an integral part of any strategy to help individuals become employed. Therefore, the emphasis on an employer-focused strategy is imperative. The intent of this strategy will be to increase the number of businesses using Missouri's workforce system services. Additional emphasis will be given to increasing the quality of services provided to Missouri businesses, improving consistency and quality of Missouri Career Centers and increasing market share, particularly among high-tech, high skilled employees.

What are the Issues?

- ❑ The continued strengthening of the economy in 2004 should reflect positively in the outcomes of workforce clients.
- ❑ In FY2003, the Department took on the additional responsibility of providing employment and training services for Missouri's Temporary Assistance to Needy Families' recipients. This has required increased levels of case management for the increased the number of clients with multiple barriers to employment.

References

Measuring Our Successes: A Report from the Division of Workforce Development, May 2004

Workforce Investment Act Performance Report, 3rd Quarter Program Year 2003

Growth

Average Number of Missouri Firms 1990-2003

| Year | Average Number of Firms | Change in Firms from Previous Year | Total Statewide Payroll (In Billions) | Change in Payroll From Previous Year (In Billions) | Average Annual Wage | % Change from Previous Year in Annual Wage |
|------|-------------------------|------------------------------------|---------------------------------------|--|---------------------|--|
| 2003 | 156,438 | 465 | 74.60 | 0.90 | \$33,945 | 2.1% |
| 2002 | 155,973 | 2,318 | 73.70 | 0.62 | \$33,260 | 1.9% |
| 2001 | 153,655 | 2,237 | 73.08 | 1.80 | \$32,635 | 3.2% |
| 2000 | 151,418 | 118 | 71.28 | 3.79 | \$31,614 | 5.0% |
| 1999 | 151,300 | 883 | 67.49 | 3.44 | \$30,098 | 3.8% |
| 1998 | 150,417 | 3,563 | 64.05 | 3.71 | \$29,002 | 4.4% |
| 1997 | 146,854 | 2,965 | 60.34 | 4.09 | \$27,791 | 4.7% |
| 1996 | 143,889 | 2,864 | 56.25 | 2.96 | \$26,537 | 3.7% |
| 1995 | 141,025 | 3,258 | 53.29 | 3.53 | \$25,602 | 4.6% |
| 1994 | 137,767 | 3,026 | 49.76 | 3.14 | \$24,477 | 3.2% |
| 1993 | 134,741 | 2,107 | 46.62 | 1.74 | \$23,711 | 1.3% |
| 1992 | 132,634 | 538 | 44.88 | 2.55 | \$23,414 | 4.7% |
| 1991 | 132,096 | 3,212 | 42.33 | 0.70 | \$22,359 | 4.0% |
| 1990 | 128,884 | | 41.63 | | \$21,508 | |

Source: MERIC Quarterly Census of Employment and Wage Program

The Missouri Economic Research and Information Center recently completed its annual count of Missouri businesses for 2003. For the year Missouri reported an average of 156,438 businesses, a modest increase of 465 from 2002.

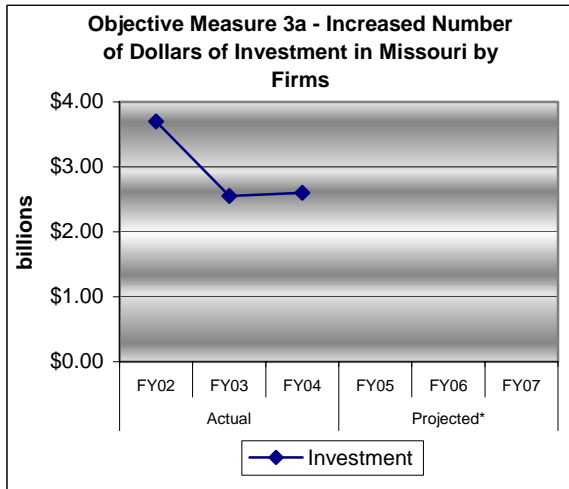
While firm growth slowed somewhat in 2003 compared to the previous year, payroll and average annual wage growth posted strong gains compared to 2002. Average annual wages increased by 2.1%, moving closer to wage growth rates experienced throughout the 1990s. As the economy continues to strengthen, Missourians can expect

businesses and wages to continue current growth patterns.

Key Strategies:

- ☐ Provide enhanced assistance to employers with their hiring and training needs through decreasing the cycle time to fill job orders and developing a single point of contact for employers
- ☐ Help Missouri businesses and companies reduce costs, locate markets and increase sales by:
 - Developing domestic and international markets
- ☐ Promote Missouri as a travel destination through tourism marketing

Investment



*Projections are not made for measures including performance on tax credits

What is Investment in Missouri by firms?

Investment is the amount of new private capital investment (new or expanded buildings, machinery and equipment) by "traded" companies (companies that sell outside the region, which doesn't include retail, personal services, non-profits, public entities or institutions) assisted by BD&T. In the case of venture capital programs, it is the amount of investment provided to a company, which could include capital investment and operating capital. In the case of technical services programs, i.e., Missouri Enterprise and Innovation Centers, it is the amount of investment related to lean manufacturing processes or new commercial innovations.

What is the Importance of Investment in Missouri by firms?

The investment a firm makes in itself and Missouri demonstrates the business' commitment to the state. Capital investment is an indicator of the business's potential for longer-term stability at the project facility and is a component in the determination of state fiscal impact. It is important to the public because expansions and locations of businesses through capital investment

impact the tax base and wealth of Missouri communities and citizens living in those communities.

What are the Trends?

- ❑ The ability of a state to develop and attract businesses in knowledge-based industries is dependent upon the ability of colleges and universities to produce a steady stream of educated workers, as stated by "Inside E.D.", Expansion Management magazine. If a state or community has "well-educated individuals, then companies will seek them out".
- ❑ According to the PricewaterhouseCoopers/Venture Economics/National Venture Capital Association Money Tree™, venture capital investing in 2003 showed a slight decline from 2002 with \$18.2 billion in 2,715 companies. Investments in 2004 are slightly ahead of 2003 with \$15.3 billion invested in the first nine months and are expected to exceed 2003's total.
- ❑ With an \$11 trillion economy, the U.S. remains the largest recipient of foreign direct investment (FDI). In the first half of 2004, FDI to the U.S. increased by \$42.9 billion over the entire previous year. Missouri, with its diversified economic base, central location, access to NAFTA and the Latin American market will find interest from many industry areas. Further, the U.S. remains competitive in advanced manufacturing, technology innovation and the life sciences, providing Missouri new opportunities for growth in these key industry sectors.
- ❑ In addition to foreign investment, companies seek strategic alliances to grow globally, including technology exchanges, joint ventures, acquisitions and mergers.
- ❑ A bright spot in the venture capital outlook for 2005 as reported by the National Venture Capital Association states, "2005 should be an encouraging year as the IPO (Initial Public Offering) and M&A (Mergers and Acquisitions) markets continue to open the door for venture capitalists to exit out of their portfolio companies profitably.

How Does Missouri Compare?

- ❑ Missouri consistently ranks in the top 20 of venture capital investments by states according to MoneyTree™. In 2002, Missouri was number 20 in the rankings, with an impressive showing of \$169.5 million invested in 37 deals. Missouri climbed in 2003, ranking 18th in the nation.
- ❑ In 2004, MoneyTree™ lists Missouri as slightly behind the venture capital investment pace for the first nine months of 2003 with \$83.5 million invested in ten deals. In 2003, Missouri ranked second behind Illinois in the Midwest with \$120.1 million invested in 29 deals. Missouri consistently ranks in the top three states in the Midwest region.
- ❑ As reported by the U.S. Census Bureau in 2001, Missouri's Gross Book Value (GBV) of equipment and property (\$15 billion) and Employment (114,000) of U.S. affiliates of foreign companies is higher than neighboring states of Kansas (GBV \$5.3 billion, Employment 39,600); Arkansas (GBV \$5.8 billion, Employment 41,000); Iowa (GBV \$7.4 billion; Employment 47,000); and Nebraska (GBV \$2.4 billion, Employment 23,600).

What is Effective in Increasing Investment in Missouri by firms?

- ❑ Business Development & Trade promotes Missouri as a competitive business climate both in-state and nationally to targeted companies, site location consultants and business support entities, working closely with local and regional economic development partners.
- ❑ Incentives used for expansion or new location projects include BUILD bonds; New Jobs Training bonds; Customized Training funds; Development tax credits; Enterprise Zone credits, Business Facility credits, CDBG infrastructure grants, Action Fund loans, Interim Financing Loans, SBA loans, Tax Increment Financing, Brownfield credits, local tax abatement programs and others.

What are the issues?

- ❑ Several tax credits are nearly exhausted or have been eliminated and other

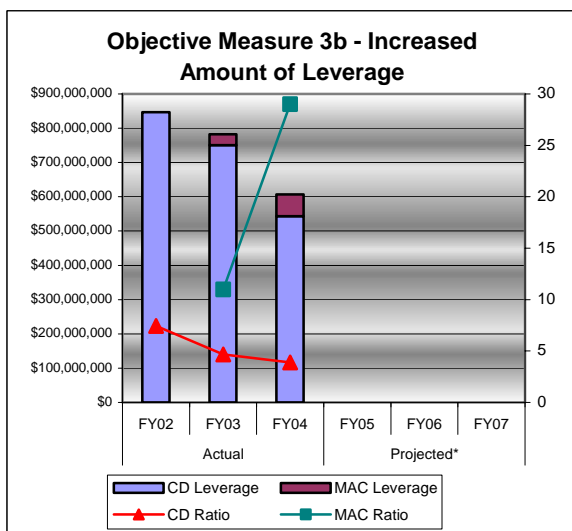
incentives are not applicable to business attraction or expansion projects. A review of tax credits will be necessary to ensure that Missouri remains competitive in attracting and retaining businesses in areas that are crucial to meeting the state's economic goals.

- ❑ Economic factors affect Foreign Direct Investment, including strength or weakness of the U.S. dollar in foreign markets and the state of the overall economy of the U.S. and other countries.
- ❑ In comparison to other Midwestern states, Missouri has, in recent years, been able to keep pace; however, nationwide, the competition between states is growing and Missouri would need to develop and implement a long-term strategy, focused on seed and venture capital programs, to ensure that we are successful in building a technology-based economy.
- ❑ Investment is self-reported by firms or based on the value of incentives received. The Department has been working to improve accountability, determine the best organizational structure and ensure the Department's compliance with SB1099 and Performance Based Budgeting requirements. – RA 1-31-05 – I'm not sure that all things listed are within the scope of the team – all that they have talked about w/ me is SB1099.

References

- ❑ PricewaterhouseCoopers/Venture Economics/National Venture Capital Association MoneyTree™
- ❑ National Venture Capital Association (NVCA)
- ❑ U.S. Census Bureau

Leverage



*Projections are not made for measures including performance on tax credits

Note: Chart reflects the leverage of Community Development and Missouri Arts Council. MAC began tracking leverage in FY03.

What is Increased Amount of Leverage?

Leverage tracks the ratio, or level, of department investment into a project compared to all other sources of funding, including corporate, foundation, local, federal and not-for-profit organization funding.

What is the Importance of Increased Amount of Leverage?

Through increased leverage, a more efficient use of department (state and federal) resources can be achieved. By increasing the leverage ratio, less department resources will be required to complete projects.

What are the Trends?

- For fiscal years 1999 through 2004, the leverage ratio for community development projects has ranged from 1:2.49 to 1:7.44 or for every \$1.00 of funding for community development projects, \$7.44 of additional resources have been committed from other funding sources. In 2004, the leverage ratio was 1:3.86.

How Does Missouri Compare?

- No national standards or data is available.

What is Effective in Increasing the Amount of Leverage?

- Factors not yet identified.

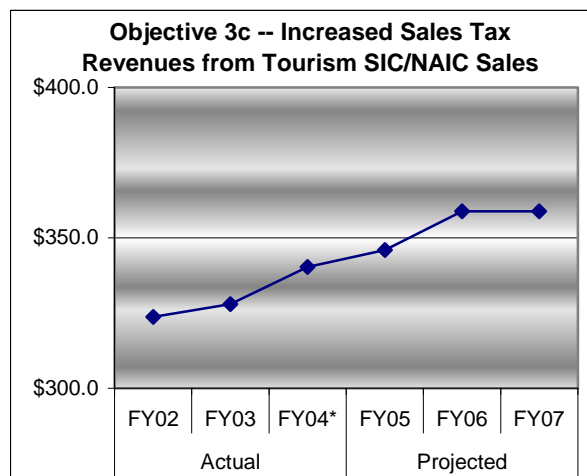
What are the issues?

- The combination of other sources of funding with department funds uses department funds more effectively.

References

No additional references cited.

Financial Resources



*Estimated

What are Tax Revenues from Tourism SIC/NAIC Sales?

The Missouri Division of Tourism measures performance by sales tax revenue generated from businesses that fall within 17 tourism-related Standard Industry Classification (SIC) codes. The sales are reported by the Missouri Department of Revenue. North American Industrial Classification System (NAICS) codes are a new method of classifying businesses. The NAICS codes will be used by MDT when implemented by the Department of Revenue.

What is the Importance of Tax Revenues from Tourism SIC/NAIC Sales?

The direct impact of tourism on Missouri's economy can be identified by using the sales reported on the SIC/NAICS codes. Sales and the resulting tax revenues generated from the tourism SIC/NAICS codes are deposited into general revenue thereby contributing to the benefit of state services overall. Additionally, tourism provides local communities with an industry for job creation and retention, which improves quality of life, increasing community value. Increasing domestic and international visitor spending through MDT marketing is a method of fortifying the state economy in a positive manner, fueling the economy.

What are the Trends?

- ❑ Actual sales tax revenues collected from the 17 tourism SIC codes are expected to reach a record \$344 million in FY04, an increase of 5% over FY03.
- ❑ Missouri hosted 32.8 million domestic leisure visitors during FY04, up 8.3% from FY03. A total of 37.7 million travelers (domestic and international) visited Missouri during FY04.
- ❑ Web visits totaled 1,772,532 in FY04 up 318,964 from FY03, a 21.9% increase. MDT utilizes a system counting qualified web visits. Visitors counted are those who go to a minimum of one web page containing trip planning information or links to convention and visitor bureaus or Missouri cities. Repeat visits from the same computer within a 48 hour period are not counted.
- ❑ The Internet is an important element influencing the delivery of travel information. It is also restructuring the travel distribution system and providing price transparency for the consumer.
- ❑ Domestic visitor days during FY04 rose to a record 110.9 million, up from 102.0 million during FY03.
- ❑ Employment in tourism-related industries totaled a record 245,430 during FY04, up 0.7% from FY03.

How Does Missouri Compare?

National Comparison – Based on the 48 contiguous states and the District of Columbia

- ❑ During FY03, Missouri's market share of all domestic visitors remained at 3.4%.

Regional Comparison – Based on Missouri and the eight contiguous states (MO, IL, KY, TN, AR, OK, KS, NE & IA)

- ❑ Missouri captured 18.2% of all domestic household trips to the region during FY04. This was well above the 13.4% average for the nine states, but down from FY03 (18.4%). Missouri maintained its third place regional rank, behind Illinois (25.4%) and Tennessee (21.1%).
- ❑ The situation was similar for person trips. Missouri captured 18.8% of all domestic visitors to the region during FY04. This was also well above the regional average (13.5%). As with household trips, Missouri maintained its third place regional rank for visitors behind Illinois (23.9%) and Tennessee (21.8%). Missouri captured a larger percentage of regional domestic expenditures during FY04 than during FY03, rising to 17.5% from 16.8%. However, the increase was not large enough to result in a change in Missouri's top 3 regional ranking.

All comparative market assessment data is from the Market Share Analysis released by the University of Missouri – Tourism Economic Research Initiative.

What is Effective in Increasing the Tax Revenues from Tourism SIC/NAIC Sales?

Tourism promotion and public relations efforts are major contributors for generating tourism activity in the state. Cooperative Marketing and tourism industry partnerships also play a large part in increasing direct domestic tourism expenditures. Research-based marketing identifies market segments that have a higher propensity to travel in Missouri and targets those groups for marketing purposes.

What are the issues?

- ❑ Consumer confidence
- ❑ Safety and health related issues
- ❑ Shift in market behavior from flying to driving

- ❑ Exchange rates
- ❑ Demand for Cooperative Marketing matching funds
- ❑ Increased competition
- ❑ Increased marketing/advertising costs
- ❑ Fuel costs

References

- ❑ Michael Kaylen, Ph.D.: University of Missouri - Tourism Economics Research Initiative (MU-TERI)
- ❑ Travel Industries Association of America (TIA)
- ❑ Strategic Marketing and Research, Inc. (SMRI)
- ❑ Missouri Department of Revenue

Quality of Life

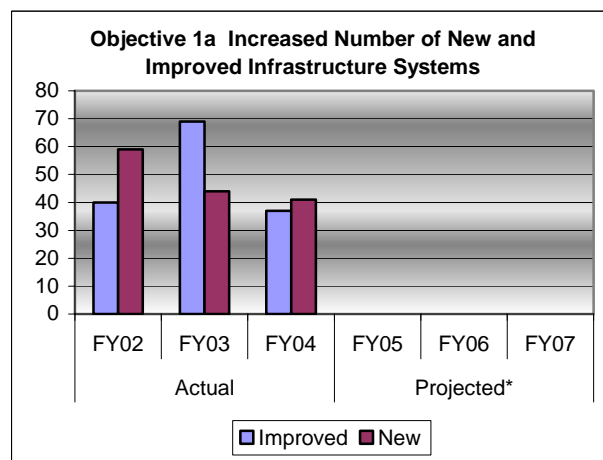
Although there are no national standards by which healthy/thriving/successful communities may be measured, the areas in which communities must be adequate are:

- ☐ Physical Infrastructure - e.g., water, waste water, streets, bridges, sidewalks, drainage
- ☐ Housing – private ownership, rental, housing needs met
- ☐ Community services – community facilities and services to meet the needs of the community
- ☐ Citizenship – volunteer hours
- ☐ Professional licensing – ensuring the competent and ethical professionals

The Department contributes to building self-sustaining communities through its resources and programs designed to impact the critical areas of physical infrastructure, housing, community services, financial resources and citizenship, including professional licensing.

- ☐ Broaden the appreciation and availability of the arts in Missouri by providing assistance to local communities for events meeting the interests and needs of local audiences
- ☐ Provide assistance to communities to improve the physical assets of communities, including housing, public/non-profit/for-profit buildings and physical infrastructure
- ☐ Promote local involvement in community development and improvement projects through assistance to communities to increase their ability to increase volunteerism, provide educational opportunities and support local efforts that help to meet the needs of those living and working in the community
- ☐ Protect the public by ensuring the competent and ethical services of licensed professionals

Physical Infrastructure



*Projections are not made for measures including performance on tax credits

What are New and Improved Infrastructure Systems?

This is a measure of those public infrastructure systems that have been newly created or improved through assistance from the Department. Examples of infrastructure systems are sewer systems, water systems, streets and drainage systems. These are actual numbers of new and improved infrastructure systems counted in the quarter that the infrastructure system became a reality, e.g., sewer system working.

What is the Importance of New and Improved Infrastructure Systems?

Public funding support for infrastructure projects allows for the planned growth of a community. The primary focus areas for department support include projects that impact public health/safety, environmental issues and economic development.

What are the trends?

- ☐ Trend analysis will be done when sufficient historical data has been collected.

- ❑ There has been an increase in requests for funding that cover a larger geographic area instead of an individual community, thus addressing regional solutions.
- ❑ The U.S. Department of Housing and Urban Development, the federal agency that provides funding for the Community Development Block Grant, indicates that the primary categories for funding assistance nationally involve water and sewer projects. Based on the number of approved applications, the Missouri Community Development Block Grant follows the national trend.

How Does Missouri Compare?

- ❑ There is no national comparative data available. The U.S. Department of Housing and Urban Development is currently working on federal benchmarks for the Community Development Block Grant.

What is Effective in Increasing the Number of New and Improved Infrastructure systems?

- ❑ Community Development Block Grant
- ❑ Partnerships with other agencies funding similar projects help to use resources most efficiently and effectively. For example, the Missouri Water and Waste Water Review Team provides technical assistance, grant review and joint funding of water and wastewater projects. This team includes the Department of Natural Resources, U.S. Department of Agriculture Rural Development and the Community Development Block Grant.

What are the Issues?

- ❑ During the 2004 legislative session the Missouri Legislature passed SB 1155 which included the "Jobs Now" initiative. This legislation will provide an additional appropriation annually in state general revenue to be used to improve/enhance local infrastructure projects. Project applications will be reviewed by a number of state departments (including DED) with recommendations being sent to the Missouri Development Finance Board for final approval.
- ❑ While state budget reductions have reduced the ability of the Department of

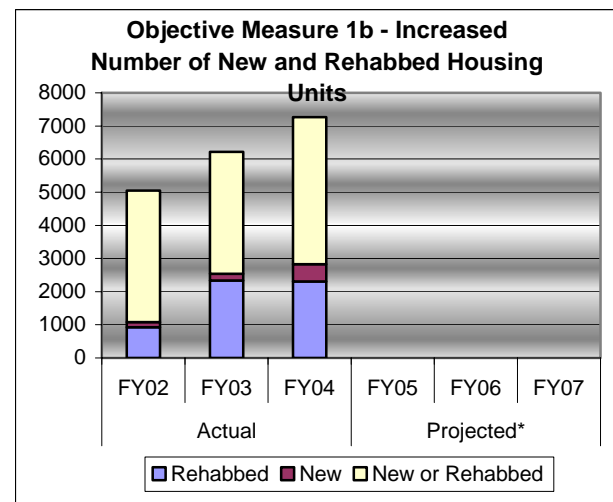
Natural Resources to participate at past funding levels on joint water/waste water projects their costs have continued to increase. As a result, the ability to leverage existing Community Development Block Grant dollars with other local, state and federal resources has increased in importance.

- ❑ The U.S. Department of Housing and Urban Development is developing national program procedures for the timely expenditure of Community Development Block Grant funds. These procedures may impact the Missouri program by shortening the timeframes for expenditures, possibly reducing flexibility and negatively impacting funding.

References

No additional references cited

Housing Units



*Projections are not made for measures including performance on tax credits

What are New and Rehabbed Housing Units?

This is a measure of housing units being constructed and existing housing units that are being renovated through assistance from the Department. These are actual numbers of new and renovated housing units counted

in the fiscal year in which they will be completed or financed.

What is the Importance of New and Rehabbed Housing Units?

Housing is a key component that impacts the stability and growth of a community's tax base. The availability of both affordable and market rate housing is directly related to the potential economic development success of a community. If a community has sufficient affordable housing to support the workforce of a major employer, new employers are more likely to locate to a community and existing employers are more likely to remain in a community.

Market rate housing is also important because it provides a variety of choice within a community that will be needed in order to attract the workforce for Missouri's targeted growth industries. In addition, efforts supporting market rate housing help to stabilize neighborhoods while providing an opportunity for the individual property owner to improve his/her net worth.

What are the Trends?

- ☐ There is a tremendous need for quality, safe, affordable housing in Missouri. According to 2000 Census data, there were 98,246 renter households that paid more than 50% of their income for rent alone. In 1990, there were 95,451 households paying more than 50% of their income for rent. Every year, many units of affordable housing in Missouri are abandoned, demolished or converted to market rate housing.
- ☐ The trends in market rate housing include:
 1. The conversion of older underused buildings into mixed use developments that include housing
 2. Reinvestment into distressed areas that help to stabilize and reverse declining property values through housing in-fill and rehabilitation projects
 3. Revitalization of historic homes

How Does Missouri Compare?

- ☐ There are no nationally recognized standards for affordable housing

development. However, based upon the 2000 U.S. Census, Missouri has a higher percentage of residents who own their homes than the national average (Missouri – 70.3%; National – 67.5%). Also, Missouri has a lower percentage of people who rent or own their home that are considered “financially burdened” than the national average. (Missouri – 18.4%; National – 24.0%)

What is Effective in Increasing the Number of New and Rehabbed Housing Units?

- ☐ Community Development Bank Tax Credit
- ☐ Community Development Block Grant
- ☐ Historic Preservation Tax Credit
- ☐ Missouri Low Income Housing Tax Credit
- ☐ Neighborhood Preservation Tax Credit
- ☐ Affordable Housing Assistance Tax Credit
- ☐ Neighborhood Assistance Tax Credit

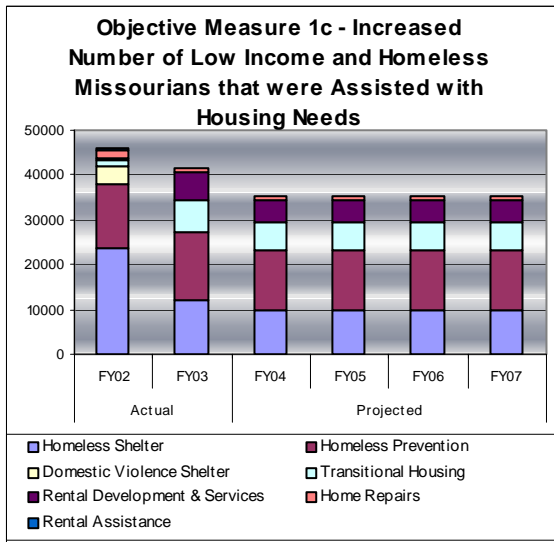
What are the Issues?

- ☐ Affordability is the key. According to the U.S. Census Bureau, a family is rent burdened if they pay more than 30% of their income for rent. If a family pays more than 30% of their income for rent, obviously this leaves very little for other basic necessities of life, such as food, clothing, health care, education and transportation.
- ☐ The demand for the funding support provided by state redevelopment housing programs continues to exceed existing appropriation levels. This could delay or stop some projects that rely on state tax incentives to leverage private investment dollars. This may negatively impact private investment into this segment of the state and local economy.

References

1990 Census
2000 Census

Housing Needs Assistance



Beginning in FY03, Domestic Violence Shelter counts are included in the Homeless Shelter or Transitional Shelter categories.

Who are Low Income and Homeless Missourians that were Assisted with Housing Needs?

The Missouri Housing Trust Fund statute requires that all of the persons assisted with the Missouri Housing Trust Fund earn less than 50% of the median family income. Half of the funds must assist persons who earn less than 25% of the median family income. Assisting the homeless is one of the eligible activities of the Missouri Housing Trust Fund.

What is the Importance of the Number of Low Income and Homeless Missourians that were Assisted with Housing Needs?

A home is an important basic human need. A person or family cannot gain access to an education, a job or many other necessities of life without a permanent home. The Missouri Housing Trust Fund assists thousands of people every year by preventing them from becoming homeless, sheltering the homeless and helping people provide opportunities for the homeless to move into permanent housing.

What are the Trends?

- ❑ The amount of Missouri Housing Trust funds available for assisting low income and homeless Missourians fluctuates based on the amount of other funds (public and private) leveraged and on the strength of the housing market. (The Trust Fund receives a \$3 recording fee from each mortgage document processed.)
- ❑ The cost of assisting an individual varies according to the type of assistance provided. For example, permanent housing is the most effective type of housing assistance. However, it is also the most expensive.

How Does Missouri Compare?

There are no nationally recognized standards. The eligible activities and outcomes desired by other states that administer housing trust funds vary, making comparison difficult.

What is Effective in Increasing the Number of Low Income and Homeless Missourians that were Assisted with Housing Needs?

- ❑ Homeless prevention and developing new or rehabilitated permanent housing is most effective in decreasing homelessness and meeting the affordable housing needs of low-income families.
- ❑ Transitional housing is most effective in helping persons move from homelessness into permanent housing.
- ❑ Homeless shelters and domestic violence shelters are most effective for providing temporary housing assistance.
- ❑ Missouri Housing Trust Fund

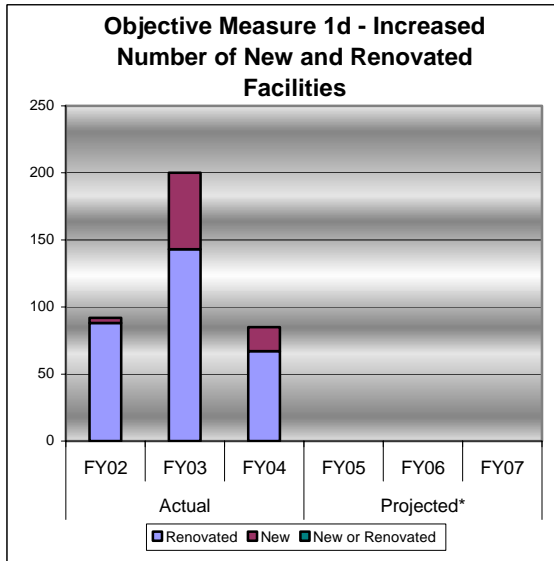
What are the issues?

A 2001 study of the homeless in Missouri finds there is an average of 16,425 homeless people living in shelters on any given day in Missouri. This represents an increase of over 42% over the average number of homeless persons reported in 1998.

References

2001 MASW Census of Shelter Providers
1998 MASW Census of Shelter Providers

Community Services



*Projections are not made for measures including performance on tax credits

What are New and Renovated Facilities?

This is a measure of those newly created facilities and existing facilities in the public, non-profit, and for-profit sectors that have been improved or rehabbed through assistance from the Department. These are actual numbers of new and renovated facilities counted in the quarter that the facility became a reality with its doors open to the public.

What is the Importance of New and Renovated Facilities?

Renovated Facilities

- ☐ Puts underutilized facilities back into productive use
- ☐ Mixed use facilities can provide for a number of community/neighborhood needs (commercial/office/retail/housing)
- ☐ More cost effective from a community infrastructure standpoint because the service is already in place
- ☐ The for-profit sector increases the tax base of the community.

New Facilities

- ☐ Provides a facility in the community that fulfills a need that is currently not being

addressed (Senior Citizen Center, YMCA, Fire Station, etc.)

- ☐ In the for-profit sector, it increases the communities' tax base.

What are the Trends?

- ☐ Many projects with communities (public sector) are renovations of existing buildings, bringing those buildings into ADA compliance.
- ☐ The non-profit sector projects have been negatively impacted by increased difficulty in getting contributions from businesses and individuals due to the slowdown in the economy and the resulting decrease in business and individual taxable income.
- ☐ In the for-profit sector:
 - Projects that have sellable tax credits provide a means for the developer of a project to raise additional equity, therefore, more and larger projects are being done
 - Interest rates are low, allowing more projects to be completed.
 - Communities are developing and requiring policies on more efficient land use.

How Does Missouri Compare?

There are no national standards or databases that can be used for comparisons.

What is Effective in Increasing the Number of New and Renovated Facilities?

- ☐ Community Development Block Grant
- ☐ Historic Preservation Tax Credit
- ☐ Neighborhood Assistance Tax Credit

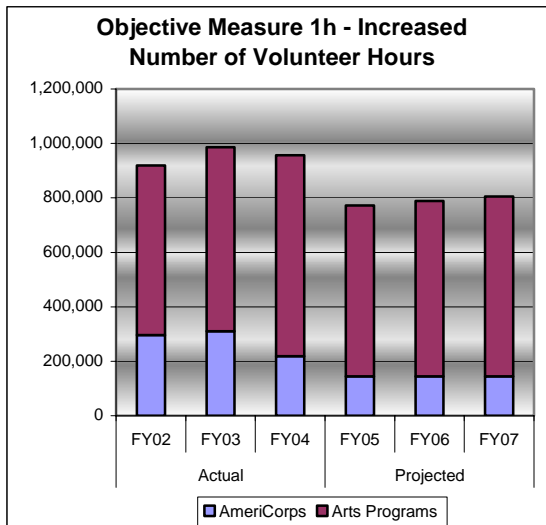
What are the issues?

- ☐ The state budget outlook appears to have improved over the previous fiscal year. Therefore, programs dependent on state funding authorization should continue to play a key role in supporting private for-profit and not-for-profit projects.

References

No additional references cited.

Citizenship



What are Volunteer Hours?

Volunteer hours are actual hours worked by volunteers to assist agencies or programs that have received Department assistance. The volunteer may receive some payment through certain programs, e.g., AmeriCorps.

What is the Importance of Volunteer Hours?

Through the use of volunteers, communities can realize a cost-effective means to meet their needs in such areas as education, public safety, health, the environment and the arts. The ability to utilize volunteers is limited only by a community's effort to identify and organize around an area of need. For example, through the AmeriCorps Program, volunteers tutor and mentor youth, build affordable housing, teach computer skills, clean parks and streams, run after school programs and help communities respond to disasters.

What are the Trends?

- ❑ The overall number of volunteer hours increased from FY00 to FY03 with roughly the same number of volunteers. Therefore, the average hours per volunteer increased.

How Does Missouri Compare?

- ❑ Each year, the Missouri Community Service Commission helps to coordinate "Make a Difference Day" projects in the State of Missouri. Make a Difference Day is a national day of celebration dedicated to getting volunteers involved in community-based projects. In 2004, Missouri registered 197 projects and ranked third in the nation for total number of registered projects. In 2003, Missouri registered 493 projects and ranked first in the nation for total number of registered projects.

What is Effective in Increasing the Number of Volunteer Hours Contributed to Communities?

- ❑ AmeriCorps
- ❑ Missouri Arts Council

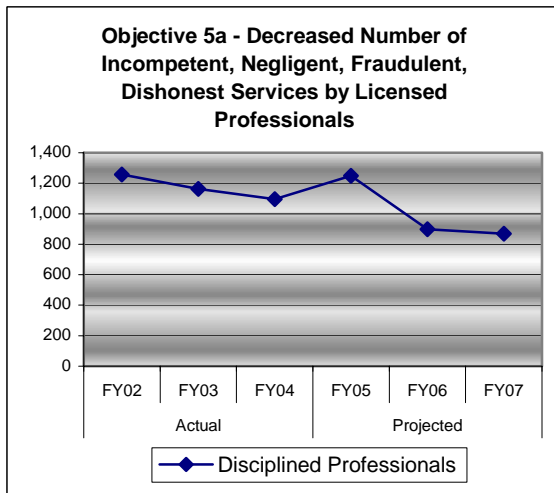
What are the issues?

- ❑ Federal funding for AmeriCorps has fluctuated over the last two years. During the 2003 Federal Fiscal Year, funding was reduced. However, the funding level was restored during the 2004 Fiscal Year. The number of approved projects in the state and the number of people who participate are directly impacted by this fluctuation in funding.
- ❑ The reduction of grants to arts organizations has led to replacing full or part-time paid staff with volunteers.

References

No additional reference cited.

Competent and Honest Licensed Professionals



What are Incompetent, Negligent, Fraudulent and Dishonest Services by Licensed Professionals?

This measure represents the number of licensed professionals who were determined to have practiced in an incompetent, negligent, fraudulent or dishonest manner and against which some type of disciplinary action was taken. Disciplines are counted in the year in which applied.

What is the Importance of Decreasing Negligent, Fraudulent, and Dishonest Services by Licensed Professionals?

To protect the public.

What are the Trends?

An increase in the number of complaints received is anticipated due to the enhanced availability of information provided to the public through websites, newsletters and brochures.

How Does Missouri Compare?

There are no national standards. Although all states have a similar responsibility to ensure ethical and honest services by licensed professionals, the methodology differs from state to state, making comparisons difficult.

What is Effective in Decreasing the Number of Negligent, Fraudulent and Dishonest Services by Licensed Professionals?

- ☐ Proactive examinations, inspections
- ☐ Education
- ☐ Speedy follow-up on complaints
- ☐ Disciplinary action

What are the issues?

- ☐ Reducing incompetent and negligent practice
- ☐ Finding ways for an impaired practitioner to seek treatment without adversely affecting his/her ability to practice

References

No additional references cited.

Key Strategies

- ☐ To enhance and refine existing statutes and rules to assist in the implementation and enforcement of the licensing and regulation requirements
- ☐ To reduce the cost of compliance including the amount of paperwork for licensees, board members and the public by utilizing current technology
- ☐ To improve public protection by providing education training for licensees